## AMENDED IN ASSEMBLY SEPTEMBER 4, 1997 AMENDED IN ASSEMBLY SEPTEMBER 2, 1997 AMENDED IN ASSEMBLY JUNE 23, 1997

## **SENATE BILL**

No. 383

## **Introduced by Senator O'Connell**

February 14, 1997

An act to amend Sections 77411, 77416, 77421, 77425, 77430, 77434, 77442, 77481, 77483, and 77485 of the Food and Agricultural Code, relating to agriculture.

## LEGISLATIVE COUNSEL'S DIGEST

- SB 383, as amended, O'Connell. California Strawberry Commission.
- (1) Existing law relating to the California Strawberry Commission (a) defines "strawberries" as those produced for commercial purposes and prepared for market within the state and (b) provides that for the purpose of shipper and processor assessments, strawberries include all strawberries marketed within the state regardless of where strawberries are produced.

This bill, instead, would define "strawberries" as those produced in California for commercial purposes.

(2) Under existing law, the commission consists of 8 districts composed of different geographical areas.

This bill would repeal District 7 which consists of the Counties of Santa Cruz and San Mateo and the City and County of San Francisco and District 8 which consists of the Counties of Alameda, Santa Clara, and San Benito, and would

SB 383 — 2 —

place these counties within existing District 6 which, under existing law, consists of the County of Monterey.

(3) Under existing law, the commission is composed of 13 producers, 5 shippers, and 5 processors, who are elected from their respective segments, and one public member, who is appointed by the Secretary of Food and Agriculture. Existing law also authorizes the commission to modify the number of producers in each district, and shippers and processors who serve on the commission, and authorizes the commission to elect producers, shippers, and processors to serve as members at large of the commission, provided that the total number of producer, shipper, and processor members does not exceed 28.

This bill would revise the selection of producer members, as specified, to coincide with the changes specified in (2) and would change this latter provision to specify that the total number of producer, shipper, and processor members on the commission shall not exceed 32.

(4) Existing law provides that an alternate member shall serve in place of the member of the commission for whom he or she is the alternate member when the member is absent.

This bill would permit an alternate member to serve in the place of any other absent member of the same classification from the same district if that member's alternate is also absent.

(5) Existing law requires every shipper and processor to keep a complete and accurate record of all strawberries shipped or processed by him or her with the name of the producer whose strawberries were shipped or processed.

This bill, in addition, would require a producer who delivers or markets strawberries to persons other than to a shipper or processor to keep a complete and accurate record of all those strawberries, as specified. Because these provisions would have the result of subjecting these producers to criminal penalties concerning the preparation and submission of reports to the commission, the bill would expand the scope of an existing crime, thereby imposing a state-mandated local program.

(6) Existing law imposes producer assessments upon strawberry producers.

\_3 \_ SB 383

This bill, in addition, would a require a producer who delivers or markets strawberries to persons other than to a shipper or processor to pay an assessment directly to the commission at the time and in the manner prescribed by the commission.

- (7) The bill also would make technical, nonsubstantive changes.
- (8) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 77411 of the Food and
- 2 Agricultural Code is amended to read:
- 3 77411. "Strawberries" mean all strawberries
- 4 produced in California for commercial purposes.
- 5 SEC. 2. Section 77416 of the Food and Agricultural
- 6 Code is amended to read:
- 7 77416. "Districts" consist of the following:
- 8 (a) District 1 consists of San Diego, Imperial, and 9 Riverside Counties.
- 10 (b) District 2 consists of Los Angeles, Orange, and San 11 Bernardino Counties.
- 12 (c) District 3 consists of Santa Barbara and San Luis 13 Obispo Counties.
  - (d) District 4 consists of Ventura County.
- 15 (e) District 5 consists of Madera, Fresno, Kings,
- 16 Tulare, Kern, Inyo, Merced, Stanislaus, San Joaquin, and
- 17 Sacramento Counties and all other counties within the
- 18 State of California not included in Districts 1 to 4,
- 19 inclusive, and District 6.

14

- 20 (f) District 6 consists of Alameda, Monterey, San
- 21 Benito, San Mateo, Santa Clara, and Santa Cruz Counties,
- 22 and the City and County of San Francisco.

SB 383 **—4—** 

17

22

32

The boundaries of any district may be changed by a two-thirds vote of the commission, which is concurred in by the secretary, to ensure proper representation. The boundaries need not coincide with county lines.

5 SEC. 3. Section 77421 of the Food and Agricultural 6 Code is amended to read:

77421. "Processor" means any person who performs any of the functions of processing strawberries within California. When a processor is a corporation, all of the 10 directors and officers of the corporation in their capacity as individuals shall be included, and any liability for failure to collect or make payment of assessments for 12 which a corporate processor may be subject pursuant to 14 this chapter shall include identical liability upon each individual director or officer of the corporation. It does 16 not, however, include a retailer, except a retailer who purchases or acquires from, or processes on behalf of, any producer, strawberries that were not previously subject 19 to assessment by the commission.

20 SEC. 4. Section 77425 of the Food and Agricultural 21 Code is amended to read:

77425. "Shipper" means any person who performs 23 any of the functions of shipping strawberries within California. When the shipper is a corporation, all of the directors and officers of the corporation in their capacity 26 as individuals shall be included, and any liability for failure to collect or make payment of assessments for which a corporate shipper may be subject pursuant to this shall include identical liability individual director or officer of the corporation. It does not, however, include a retailer, except a retailer who purchases or acquires from, or ships on behalf of, any producer, strawberries that were not previously subject to assessment by the commission.

34 35 SEC. 5. Section 77430 of the Food and Agricultural 36 Code is amended to read:

37 77430. (a) There is in the state government the 38 California Strawberry Commission. Except as provided in subdivision (d), the commission shall be composed of 13 **—5— SB** 383

producers, five shippers, five processors, and one public member.

3

5

12

13

15

16 17

21 22

23

24

- (b) Except as provided in subdivision (d), producers within the respective districts shall elect one member from District 1, two members from District 2, two members from District 3, two members from District 4, one member from District 5, and five members from District 6. Shippers and processors shall be elected by and from shippers and processors, respectively, on a statewide basis without reference to districts. The public member shall be appointed to the commission by the secretary from nominees recommended by the commission.
- (c) The secretary and other appropriate persons as 14 determined by the commission shall be ex officio members of the commission.
- (d) The commission may modify the number producers in each district, and shippers and processors 18 who serve on the commission, and may elect producers, shippers, and processors to serve as members at large of the commission. The total number of producer, shipper, and processor members shall not exceed 32.
  - SEC. 6. Section 77434 of the Food and Agricultural Code is amended to read:

77434. Except for the ex officio members of the commission, an alternate member for each member shall be elected in the same manner as the member. An alternate member, in the absence of the member for whom he or she is an alternate, shall serve in place of the member on the commission. An alternate member may also serve in place of any other absent member of the classification (producer, shipper, or processor) from the same district if that member's alternate is also absent. However, an alternate may not serve in place of 34 more than one absent member at a meeting. An alternate member serving in place of a member shall have and be able to exercise all rights, privileges, and powers of the member when serving on the commission. In the event of death, removal, resignation, or the disqualification of a member, the alternate for that member, or another alternate of the same classification from the same district SB 383 -6-

15

20

22

23

25

26

28

32

34

if the alternate for that member is absent, shall act as a member on the commission until a qualified successor is 3 elected.

- 4 SEC. 7. Section 77442 of the Food and Agricultural 5 Code is amended to read:
- 77442. A quorum of the commission is a majority of 6 the voting producer members, a majority of the voting shipper members, and a majority of the voting processor members on the commission. Except as provided in 10 Sections 77481.5 and 77499, the vote of a majority of members present at a meeting at which there is a quorum shall constitute an act of the commission. 12
- 13 SEC. 8. Section 77481 of the Food and Agricultural 14 Code is amended to read:
- 77481. The commission shall, not later than February 16 1 of each year, establish the assessment for the marketing season that begins February 1 and continues through 18 January 31 of the following year. The assessment shall not exceed the following amounts:
- (a) Two and one-half cents (\$0.025) per crate, or the 21 equivalent, for strawberries delivered for shipping by producers.
- (b) Two and one-half cents (\$0.025) per crate, or the 24 equivalent, for strawberries received by shippers from producers.
  - (c) Two and one-half cents (\$0.025) per 14 pounds for strawberries delivered to processors for processing by producers.
  - (d) Two and one-half cents (\$0.025) per 14 pounds for strawberries received by processors for processing from
    - An assessment greater than the amounts in this section may not be charged unless it is approved in accordance with the voting requirements of Section 77462.
- 35 SEC. 9. Section 77483 of the Food and Agricultural 36 Code is amended to read:
- 77483. Every shipper and processor shall keep a 37 complete and accurate record of all strawberries shipped 38 or processed by him or her with the name of the producer 39 strawberries were whose shipped or processed.

**—7** — **SB** 383

producer who delivers or markets strawberries to persons other than to a shipper or processor shall keep a complete and accurate record of all those strawberries. The records shall contain information required by the commission. The records shall be preserved by the producer, shipper, or processor for a period of two years and shall be offered and submitted for inspection at any reasonable time upon 8 written demand of the commission or its duly authorized 9 agent. 10

SEC. 10. Section 77485 of the Food and Agricultural Code is amended to read:

11

12

13

21

22

77485. Producer assessments shall be upon producer. The first shipper or processor of strawberries being assessed shall deduct the assessment from amounts paid by him or her to the producer, and shall be a trustee 16 of the funds until they are paid to the commission at the time and in the manner prescribed by the commission. A producer who delivers or markets strawberries to persons other than to a shipper or processor shall pay assessment directly to the commission at the time and in the manner prescribed by the commission.

SEC. 11. No reimbursement is required by this act 23 pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred 25 by a local agency or school district will be incurred 26 because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty 28 for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition 30 of a crime within the meaning of Section 6 of Article 31 XIII B of the California Constitution.

32 Notwithstanding Section 17580 of the Government 33 Code, unless otherwise specified, the provisions of this act 34 shall become operative on the same date that the act takes effect pursuant to the California Constitution.